

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6106**

**BILL NUMBER:** HB 1023

**NOTE PREPARED:** Nov 11, 2004

**BILL AMENDED:**

**SUBJECT:** National Guard Tuition Supplement Grant.

**FIRST AUTHOR:** Rep. Koch

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** The bill extends the eligibility period for the National Guard Tuition Supplement Program (the Program) for a member of the National Guard called to active duty outside Indiana after September 11, 2001. The bill provides that the extension is equal to the period of active duty.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** *Summary:* Under the bill, Indiana National Guard (ING, which includes the Indiana Air National Guard) personnel that were receiving a National Guard Supplemental (NGS) grant from the State Student Assistance Commission (SSAC) and called up to active duty outside Indiana after September 11, 2001, would be able to resume their NGS grant upon their return from active duty. Under the bill, a qualifying former member of ING that had been discharged from the service would be eligible to resume their NGS grant.

The impact to state expenditure is indeterminable and would depend on the number of former ING personnel who would qualify to resume an NGS grant under the bill and who are not currently eligible due to their inactive status. Under current law, a grant recipient must remain in the ING in active drill status.

*Background:* The NGS grant program received a General Fund appropriation (including transfers) of \$2.8M in FY 2004 and \$2.8M in FY 2005. The following table illustrates the last four state fiscal years of students and amounts awarded.

**National Guard Supplemental Grants (NGSG)**

<b>Year</b>	<b>Students</b>	<b>Awards Used</b>
FY 2004	841	\$2,215,806
FY 2003	923	\$2,214,787
FY 2002	861	\$1,842,824
FY 2001	503	\$1,026,094

The SSAC reports that 724 students were awarded \$1.39 M in grants for the first half of FY 2005. The SSAC anticipates that they will not meet their expected FY 2005 amount of 950 grant students in the second half of FY 2005 due to deployments. Deployments from October 2002 to September 2003 required approximately 425 ING NGS grant recipients to disenroll from college. Approximately 450 NGS grant students had to leave college due to deployments from August 2003 to August 2004. From September 11, 2001, to present, 4,927 ING personnel have been called up to active duty to support the Global War on Terror (GWOT). Current ING mobilizations for the GWOT, including personnel preparing for deployment, total 4,078.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** State Student Assistance Commission.

**Local Agencies Affected:**

**Information Sources:** Nick Vesper, State Student Assistance Commission; Capt. Lisa Kopczynski, Indiana Air National Guard; State Budget Agency, Auditor's Trial Balance database.

**Fiscal Analyst:** Chris Baker, 317-232-9851.